

Figure 1: The Suspicion Effect: When is Monopoly Advantageous Relative to Competition?

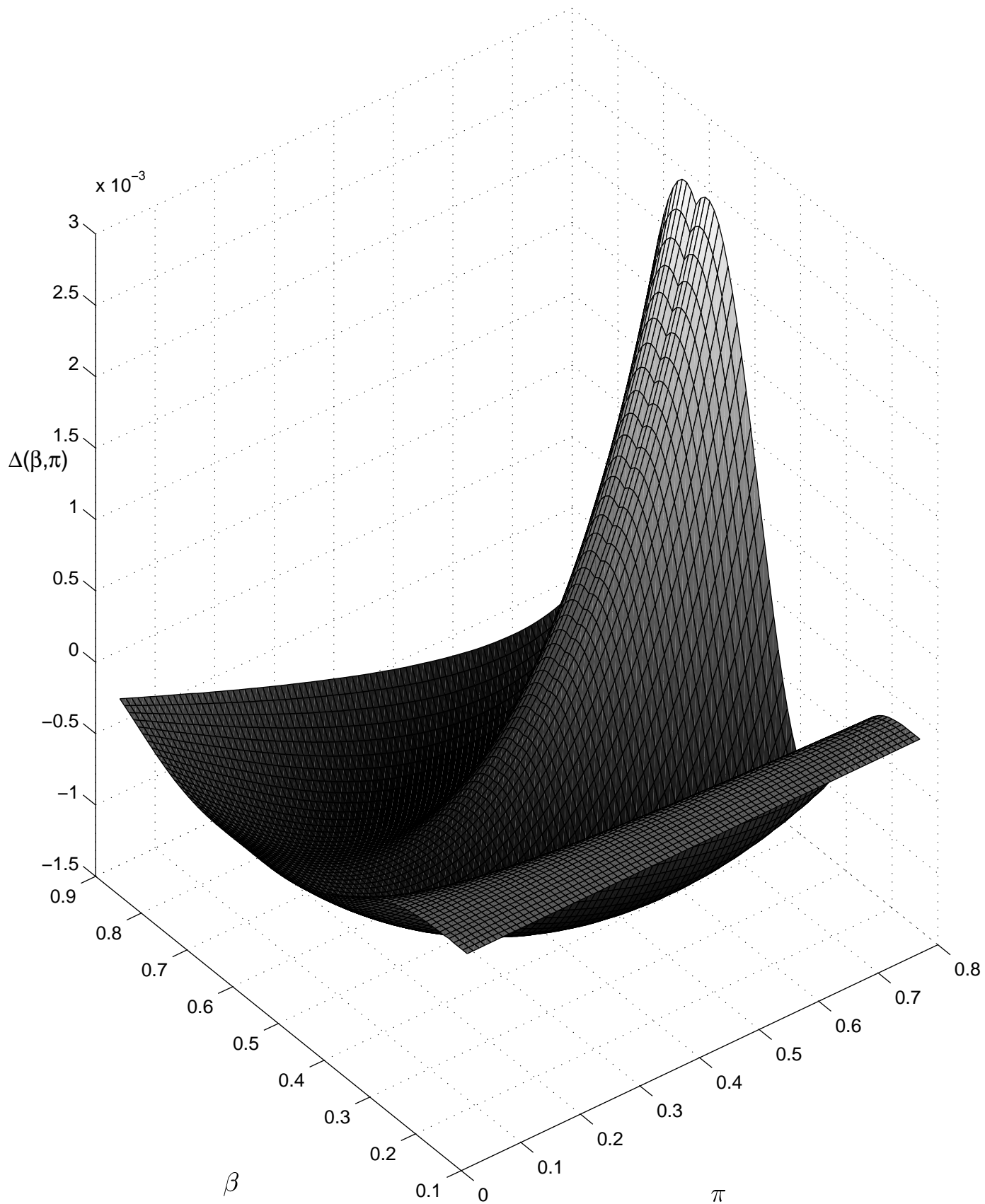


Figure 2: The Publisher's Bargaining Surplus

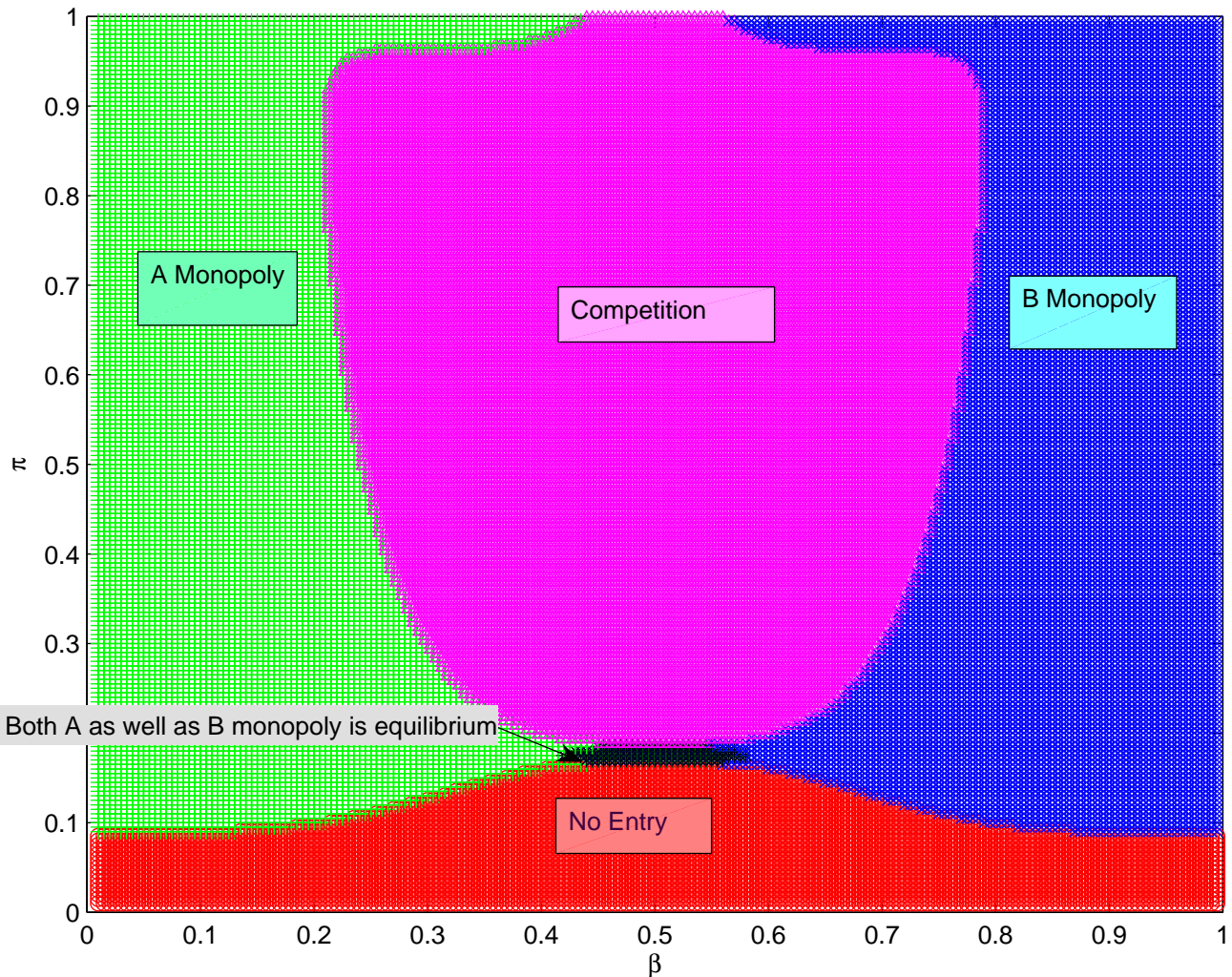


Figure 3: Equilibrium Market Structure Without Mergers–Dominant Profit Motive

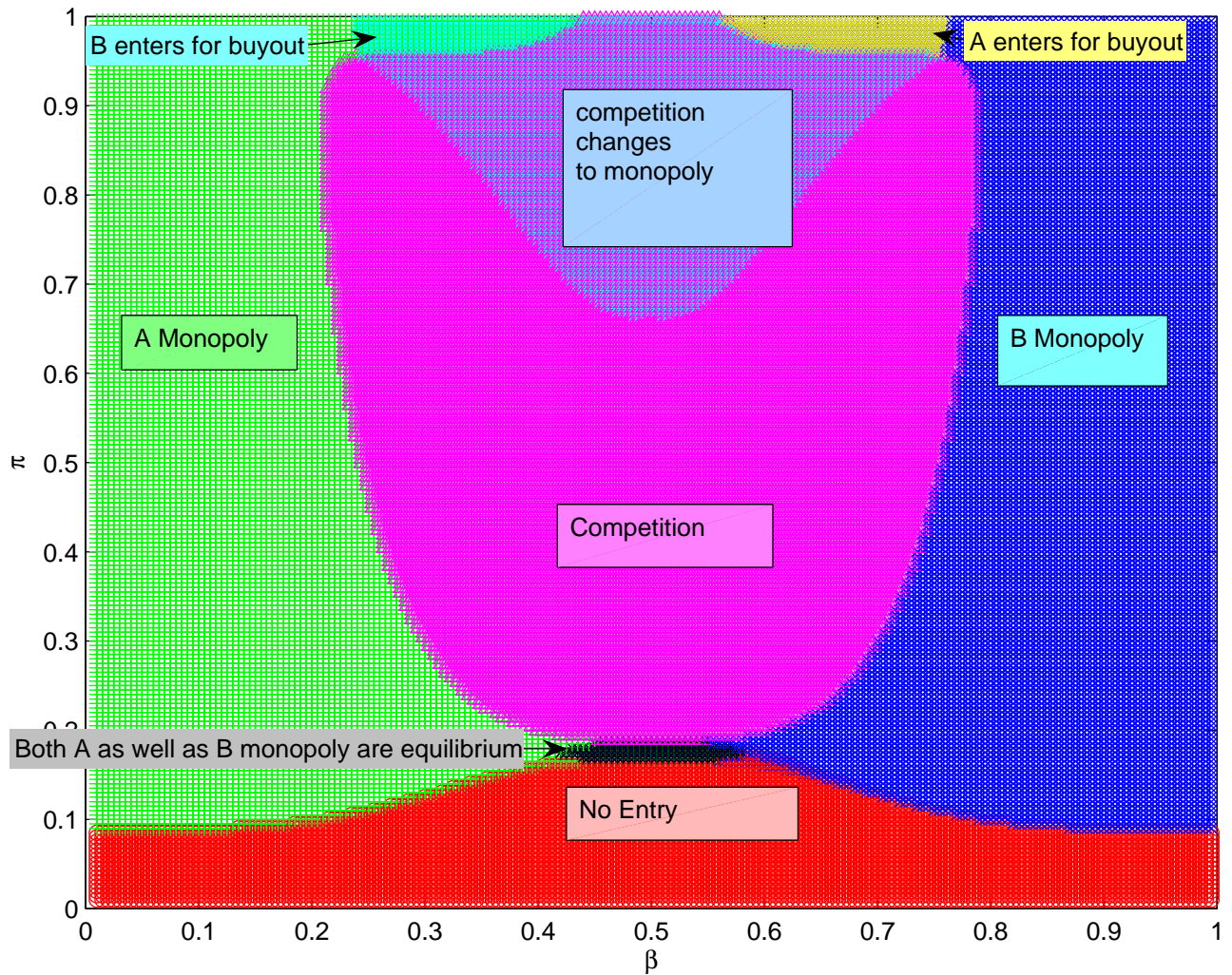


Figure 4: Equilibrium Market Structure Allowing Mergers– Dominant Profit Motive



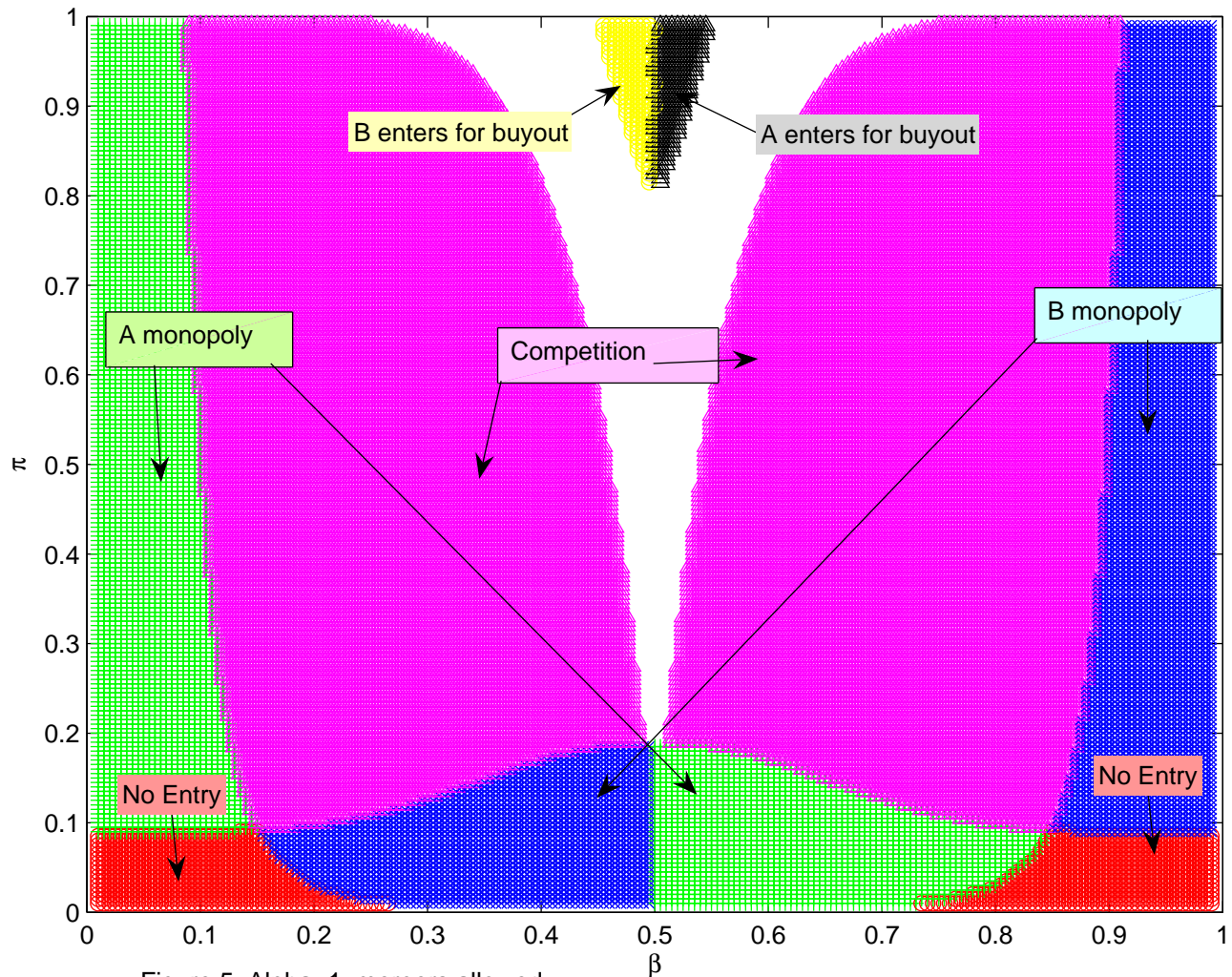


Figure 5: Alpha=1, mergers allowed